

From: "E. David Sayers" <dsayers@firstbank.com> on 04/11/2006 12:25:04 PM

Subject: Commercial Real Estate Lending

The Federal Reserve Board of Governors
20th Street and Constitution Ave. N.W.
Washington D.C. 20551

Dear Sirs,

My name is Edward D. Sayers and I am an Assistant Vice President of The First Bank & Trust Co. headquartered in Abingdon, Virginia. I am writing to strongly oppose the proposed regulations regarding commercial real estate lending (Docket No. OP-1248" Commercial Real Estate Proposal). Among the many reasons to oppose this regulation are:

1. This is regulatory overkill and will hurt real estate lending causing an artificial real estate recession.
2. Before imposing regulations across the Board should first "regulate banks that are making risky loans before imposing penalties on the entire industry." To be frank, the lack of regulatory review and action by the Banking Regulators is deeply disconcerting. My impression is that regulators think that capital cures all when in fact credit underwriting and credit quality can mean more in the long run.
3. This regulation will push Banks into making unsecured loans to get around the regulation and thus put the industry at greater risk.
4. Regulatory over reaction to the S&L crisis in the late 1980's and early 1990's in hindsight caused unneeded harm. Do not make the same mistake again.
5. Such regulatory requirements further disadvantage banks as they try to compete against Credit Unions.

Our bank does not fear regulation. We do not fear establishing and maintaining credit quality. Do not punish banks such as ours and many others for doing a good job when the problem is the few bad apples that do not focus on underwriting and credit quality.

Most Sincerely,

E. D. Sayers, AVP
The First Bank & Trust Co.
540-552-7733

Thank you.